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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON

In re PAUL JOE,

Debtor.

Case No. 12-36345-elp11

OBJECTION TO SUFFICIENCY OF  
DISCLOSURE STATEMENT  
CONCERNING DEBTOR'S PLAN  
OF REORGANIZATION (Dated  
November 30, 2012)  
Hearing Date: January 30, 2013  
Hearing Time: 1:30 P.M.

Secured Creditor City of St. Helens ("St. Helens") objects to the sufficiency of the proposed Disclosure Statement Concerning Debtor's Plan of Reorganization (Dated November 30, 2012), dkt. 56 ("Statement"), as follows:

1. St. Helens has a large secured claim and a smaller unsecured claim against Debtor. This objection does not concern the smaller unsecured claim. The secured claim is in the approximate amount of \$146,149.57.
2. The Statement is partially premised on a third-party, Bing's Restaurant ("Restaurant"), assuming responsibility to satisfy St. Helens' secured claim. (Statement, p.3.) Upon information and belief, the Restaurant is owned and/or operated by relatives of Debtor.
3. The Statement contains inadequate information about the Restaurant's willingness to enter into any such agreement. To date, St. Helens has been unable to reach any agreement with the Restaurant. In fact, St. Helens has been unable to contact anyone at the Restaurant to

discuss the proposed agreement.

4. Debtor asserts in his Statement that he will remain liable for any amounts not paid by the Restaurant. (Statement, p.3.) However, Debtor's payment plan assumes that the Restaurant will satisfy St. Helens' secured claim and thus eliminate \$146,149.57 of debt. (Statement, p.8 and Exhibit 1). If that does not occur, there is inadequate information that Debtor will be in a position to make any payments on St. Helens' secured claim.

5. The feasibility analysis in the Statement is similarly premised on the Restaurant satisfying St. Helens' secured claim (as well as the \$10,000 Payroll Tax Secured Claim). (Statement, Exhibit 1.) For the reasons discussed above, the feasibility analysis contains inadequate information to address the contingency that the Restaurant does not satisfy St. Helens' secured claim.

6. Debtor claims that the St. Helens Secured Claim is "unimpaired." (Statement, p.6.) That is a predictive statement, as there is no agreement in place with the Restaurant, and there is no certainty that the Restaurant will fulfill its "anticipated" agreement to pay the full amount of St. Helens' secured claim.

7. Debtor's assertion that St. Helens will be paid in full within 24 months of the Effective Date is speculation. (Statement, p.19). There is no agreement in place with the Restaurant, and there is no reason to expect the Restaurant will agree to pay \$146,149.57 over a 24-month period. Moreover, there is no explanation of what will happen should the Restaurant fail to satisfy St. Helens' secured claim.

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For the reasons stated above, the Statement does not contain adequate information concerning satisfaction of St. Helens' secured claim and St. Helens objects to the Statement accordingly.

Dated this 23rd day of January, 2013.

JORDAN RAMIS PC

By: /s/ Douglas P. Cushing  
Douglas P. Cushing, OSB # 700320  
Attorney for Creditor City of St. Helens

**CERTIFICATE OF SERVICE**

I hereby certify that on the date shown below, I served a true and correct copy of the foregoing **OBJECTION TO SUFFICIENCY OF DISCLOSURE STATEMENT**  
**CONCERNING DEBTOR'S PLAN OF REORGANIZATION (Dated November 30, 2012)**

on:

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**AND ALL OTHER ECF PARTICIPANTS**

- ☐ by first class mail, postage prepaid.
- ☐ by hand delivery.
- ☐ by facsimile transmission.
- ☐ by facsimile transmission and first class mail, postage prepaid.
- ☒ by CM/ECF electronic transmission.
- ☐ by electronic transmission and first class mail, postage prepaid.

DATED: January 23, 2013.

/s/ Douglas P. Cushing

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Attorneys for Creditor City of St. Helens

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